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DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

April 6, 1971

Honorable Spiro T. Agnew
President of the Senate
Washington, D. C. 20510

Honorable Carl Albert
Speaker of the House of Representatives
Washington, D. C. 20515

Dear Mr. President:

Dear Mr. Speaker:

I am transmitting herewith a draft bill to carry out the President's recommendations for a rural community development special revenue sharing program as set forth in his message to the Congress of March 10, 1971.

The President's proposal is designed to give citizens of States and local communities more effective tools and greater financial resources for dealing with rural development problems than in the past. The needs, problems, conditions, and opportunities for promoting economic and social development of rural areas are matters that are of special concern to, and within the particular competence of, those who live in the communities affected. State and local officials, and citizens in the communities involved, are often better able to match resources to problems than are government employees in Washington.

The President's proposal contemplates that in the first year of operation, special revenue sharing funds for rural development would be available in an amount equivalent to \$1,100 million on a full-year basis. As the President stated, in his message of March 10, 1971:

"More money, plus more freedom to spend it, plus better planning in doing so, add up to better living for rural Americans and brighter futures for rural communities. Mutual benefits of the urban-rural partnership would be manifest as cities enjoyed the fruits of a healthy agricultural economy and the relief of more evenly distributed population growth, while rural areas felt the effect of new social and economic advantages. Rural and urban communities would no longer siphon off one another's strengths and resources nor shunt problems and burdens from one to the other. They would progress together in a dynamic balance, as partners in the best sense."

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2 - Hon. Spiro T. Agnew

2 - Hon. Carl Albert

I urge that early and favorable consideration be given by the Congress to enactment of the "Rural Community Development Revenue Sharing Act of 1971."

The Office of Management and Budget advises that enactment of this bill would be in accord with the program of the President.

Sincerely,

CLIFFORD M. HARDIN
Secretary

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SECTION-BY-SECTION SUMMARY

SECTION 2 - STATEMENT OF FINDINGS AND PURPOSE

Section 2 provides that Congress finds and declares that in order to provide more effective assistance to rural areas of the Nation for the purposes of stemming outmigration, stimulating and aiding economic development and the creation of job opportunities, providing more and better public works and community development facilities, and assisting in the solution of farm, home, and other community problems, it is necessary to establish a program by which States may share in national revenues; and that in order to implement an effective nationwide rural community development policy and to reallocate development resources, it is necessary to terminate and modify certain Federal development programs.

TITLE I - DEFINITIONS

SECTION 101 - DEFINITIONS

Section 101 provides that the definitions contained in the following subsections are applicable for the purposes of this Act.

Subsection (a) provides that the term "rural area" means any county, parish or similar political subdivision which either has a population density of less than 100 persons per square mile or is not included within a Standard Metropolitan Statistical Area.

Subsection (b) provides that the term "rural population" means the total resident population of a rural area.

Subsection (c) provides that the term "rural development" means any program or activity of a State which directly benefits the residents of a rural area within such State, and that the term "rural community development programs and activities," includes, but is not limited to, the promotion, establishment, assistance, improvement, and encouragement of a great number of programs and activities related to rural development.

Subsection (d) provides that the term "rural per capita income" means the average personal income of the rural population of a State.

Subsection (e) provides that the term "fiscal year" means the fiscal year of the United States.

Subsection (f) provides that the word "Secretary" means the Secretary of Agriculture.

Subsection (g) provides that the word "State" means the several States, Puerto Rico, the Virgin Islands, and Guam.

Subsection (h) provides that the word "Governor" means the chief executive officer of each State.

Subsection (i) provides that the term "Attorney General" means the Attorney General of the United States.

Subsection (j) provides that the term "Standard Metropolitan Statistical Area" means such term as defined by the Office of Management and Budget.

Subsection (k) provides that the term "personal income" means such term as defined by the Office of Business Economics of the Department of Commerce, or, as appropriately modified or changed by the Secretary.

Subsection (l) provides that the term "local government" means a municipality, county, or township as defined and used by the United States Bureau of the Census, but does not include school districts or special districts.

Subsection (m) provides that the term "State development plan" means a plan for the expenditure of funds to which a State is entitled under subsections (a) through (c) of section 202.

Subsection (n) provides that the term "State development planning system" includes a State development planning advisory commission, comprised of the Governor and one representative from each government planning board of each multi-jurisdictional planning district within the State, which shall advise the Governor with respect to the formulation of the State development plan. Such planning boards shall be comprised of elected officials from local governments affected and shall have such duties as the Governor may determine. Such multi-jurisdictional planning districts shall encompass the entire geographic area of the State.

SECTION 102 - DATA FOR DEFINITIONS

Section 102 provides that, where appropriate, definitions in section 101, or the modification thereof, shall be based on the reports of the Department of Commerce or the Office of Management and Budget. The latest published data is to be used in applying these definitions.

TITLE II - RURAL DEVELOPMENT REVENUE SHARING

SECTION 201 - APPROPRIATION AUTHORIZATION

Section 201 authorizes the appropriation for title II of sums without fiscal year limitation as may be necessary for each fiscal year.

SECTION 202 - STATE ENTITLEMENT

Subsection (a) of section 202 provides that of the amounts provided from appropriations authorized by section 201 for any fiscal year for title II, a minimum of 80% shall be apportioned by the Secretary among the States in accordance with their entitlement as determined by subsection (b) and (c).

Subsection (b) provides that one percent of the moneys apportioned pursuant to subsection (a) shall be divided among the States in equal proportion.

Subsection (c) provides that each State shall be entitled to a portion of the remainder of the moneys apportioned per subsection (a), which portion shall be determined in accordance with paragraphs (1) through (3) below.

Paragraph (1) provides that 50 percent of the remainder shall be distributed according to rural population.

Paragraph (2) provides that 25 percent of the remainder shall be distributed according to rural per capita income.

Paragraph (3) provides that 25 percent of the remainder shall be distributed according to loss of rural population.

Subsection (d) provides that amounts not apportioned pursuant to subsections (a) through (c) and amounts recovered under section 304 may be available for distribution at the discretion of the Secretary.

Subsection (e) provides that, notwithstanding any other provision of the Act, each State is required to use a sufficient portion of the moneys to which it is entitled to carry out an extension program comparable in size and type to the extension program carried out in the state in fiscal year 1971, and that the Cooperative Extension Service shall be permitted to continue 4-H, nutritional aide programs, and other agricultural programs in metropolitan areas.

Subsection (f) provides that until such time as a State is authorized under State law to receive funds and carry out activities as provided by this Act, or, in the event a State refuses to accept such funds, the funds to which such State would have been

entitled shall be available for allocation by the Secretary for the purposes of this title.

Subsection (g) provides that the Secretary's determinations under section 202 shall be final and conclusive.

SECTION 203 - STATE DEVELOPMENT PLAN

Section 203 provides that commencing with fiscal year 1973 as a condition precedent to receiving entitlements under subsections (a) through (c) of section 202, the Governor of each State shall publish and submit a State development plan, which shall be formulated through the State development planning system or an alternative planning system which assures consultation and coordination with local government. Amendments to such plan may be submitted prior to the end of the fiscal year to which such plan relates. Development plans and amendments thereto shall not be subject to the Secretary's approval.

SECTION 204 - AUTHORIZED EXPENDITURES

Section 204 provides that each State is authorized to expend its section 202 entitlement moneys for rural development as defined in section 101(c).

TITLE III - ADMINISTRATION

SECTION 301 - PAYMENTS TO STATES

Section 301 provides that the Secretary shall make payments to each State at such intervals and in such installments as he shall determine; that the Secretary shall, with the concurrence of the Director of the Office of Management and Budget, prescribe regulations to avoid inordinate Federal outlays in fiscal years 1972 and 1973 resulting from concurrent disbursements under this Act and certain Federal programs modified or abrogated by title IV of this Act.

SECTION 302 - RECORDS, AUDITS, AND REPORTS

Subsection (a) of section 302 provides that revenues shared by the States are to be accounted for as Federal funds.

Subsection (b) provides that each State must utilize proper disbursement and accounting procedures, maintain and provide the Secretary with access to, books, documents, records, etc., and make such reports as the Secretary may require.

SECTION 303 - NONDISCRIMINATION

Section 303 provides that shared revenues shall be considered as Federal financial assistance within the meaning of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d).

SECTION 304 - RECOVERY OF FUNDS

Subsection (a) of section 304 provides that if the Secretary determines, after giving reasonable notice and opportunity for hearing, that a State has failed to comply substantially with the provisions of this Act, he shall: (1) refer the matter to the Attorney General for appropriate civil action; or (2) notify such State that if corrective action is not taken within 60 days of such notice that such State's revenue share will be reduced in the same or succeeding fiscal year by an amount equal to the funds which were not expended in accordance with the Act's provisions; or (3) take such other action as may be provided by law.

Subsection (b) authorizes the Attorney General to seek appropriate court relief with respect to a matter referred to him under subsection (a).

Subsection (c) authorizes a State to file a petition in an appropriate U. S. Court of Appeals to review the Secretary's reduction of such State's revenue share pursuant to subsection (a), and provides rules of procedure and for Supreme Court review with respect to such petition.

SECTION 305 - ADVANCE PAYMENTS

Section 305 provides that advance payments to States or political subdivisions thereof made through December 31, 1971, and which are unearned by the close of business on December 31, 1971, shall be either returned promptly to the Federal agency concerned, or offset against the first shared revenues to which the same State or political subdivision thereof becomes entitled under this Act.

SECTION 306 - POWERS OF THE SECRETARY

Section 306 vests the Secretary with general administrative powers to carry out effectively the provisions of this Act.

SECTION 307 - AGREEMENTS BETWEEN STATES

Section 307 gives Congressional consent to cooperation and agreements between States.

SECTION 308 - REPORT BY THE SECRETARY

Section 308 requires the Secretary to make an annual report to the President and the Congress regarding the programs conducted under, and general effectiveness of, this Act.

SECTION 309 - ADMINISTRATIVE EXPENSES

Section 309 authorizes, without fiscal year limitation, such sums as may be necessary to administer title III of this Act.

SECTION 310 - LABOR STANDARDS

Section 310 provides that the provisions of the Davis-Bacon Act, relating to the payment of prevailing wage rates, shall be applicable to certain projects assisted by shared revenues under this Act.

SECTION 311 - RELOCATION COSTS

Section 311 provides that no Federal relocation contribution in addition to shared revenues shall be provided to assist those displaced by community development activities under this Act.

SECTION 312 - MATCHING GRANTS

Section 312 provides that rural community development funds may be used by States or local government as matching shares for Federal grant programs which contribute to rural development.

SECTION 313 - EFFECTIVE DATE

Section 313 provides that the effective date of this Act shall be January 1, 1972.

TITLE IV - TRANSITION

PART A - PUBLIC WORKS AND ECONOMIC
DEVELOPMENT ACT OF 1965

SECTION 401 - DEFINITION

Section 401 provides that the word "Act" as used in part A means the Public Works and Economic Development Act of 1965, as amended.

SECTION 402 - TERMINATION OF CERTAIN AUTHORITIES

Subsection (a) of section 402 provides that no authority under the Act shall be exercised after December 31, 1971, except as set forth in paragraphs (1) and (2).

Paragraph (1) provides that the Secretary of Commerce may exercise the authorities set forth in subparagraphs (A) through (D).

Subparagraph (A) provides that he may carry out those agreements and obligations for which funds were obligated on or before December 31, 1971, and may also pay for construction overruns on projects approved prior to such date for which a public works or development facility grant has been provided.

Subparagraph (B) provides that he may designate Indian reservations.

Subparagraph (C) provides that he may provide financial assistance for public works and development facilities, business loans and guarantees, and technical and planning assistance projects located within Indian reservations.

Subparagraph (D) provides that he may provide technical assistance for certain matters related to the Trade Expansion Act.

Paragraph (2) provides that all other authorities under the Act, including the authority to make appropriations where such authority is not otherwise provided, may be exercised to the extent necessary to carry out section 402 and all other duties under the Act, including the duty to make annual reports to Congress, shall be exercised to the extent proper to carry out section 402.

Subsection (b) provides that all planning and administrative expense grants, except those to organizations and individuals on Indian reservations shall provide for a termination date no later than June 30, 1972.

SECTION 403 - TERMINATION OF DESIGNATION

Section 403 provides that the designation of all "Title I" areas, of all redevelopment areas, except Indian reservations, of all economic development districts, and of all economic development centers shall be deemed terminated at midnight on December 31, 1971.

SECTION 404 - TRANSFER OF CERTAIN APPROPRIATIONS

Subsection (a) of section 404 provides that fiscal year 1972 appropriations will be treated as described in paragraphs (1) and (2).

Paragraph (1) provides that 50 percent of the total appropriation, except the appropriation for title V, shall not be obligated after December 31, 1971, except to the usual extent for Indian assistance, research, and trade adjustment technical assistance and except to carry out obligations made on or before December 31, 1971, and shall be transferred to and merged with the funds authorized under section 201.

Paragraph (2) provides that the full amount of the remaining 50 percent may be obligated on or before December 31, 1971, but such amount as is unobligated prior to such date shall be transferred to and merged with the funds authorized by section 201.

Subsection (b) provides that all collections and repayments deposited in the Economic Development Revolving Fund on or before December 31, 1971, shall be transferred to and merged with the funds authorized by section 201, except that an amount may be retained in such fund to the extent necessary to pay interest to the Treasury on loans outstanding under the Act.

SECTION 405 - CERTAIN PROVISIONS REPEALED

Subsection (a) of section 405 repeals, as of July 1, 1972, that title of the Act which establishes the regional commissions and sets forth their functions.

Subsection (b) provides that the Secretary of Commerce shall, no later than June 30, 1972, assume the outstanding projects, agreements and other commitments of the commissions, and the authorities which were undertaken by and vested in the Commissions pursuant to the Act.

Subsection (c) provides that the commissions shall make any assignments to the Secretary of Commerce prior to June 30, 1972, as may be necessary to enable him to fulfill the functions described in subsection (b).

Subsection (d) provides that, on January 1, 1972, there shall be transferred to and merged with the funds authorized under section 201, all balances of title V appropriations which are unobligated, except amounts available for administrative expenses of the commissions to June 30, 1972.

Subsection (e) provides that each commission shall make a report to Congress, with regard to fiscal year 1971 activities, not later than June 30, 1972, rather than January 31, 1973, as is provided in the Act.

PART B - APPLACHIAN REGIONAL DEVELOPMENT ACT OF 1965

SECTION 406 - DEFINITION

Section 406 provides that the word "Act" as used in part B means the Appalachian Regional Development Act of 1965, as amended.

SECTION 407 - TRANSFER OF APPROPRIATION BALANCES

Section 407 transfers to and merges with the funds authorized under section 201, uncommitted balances of available authorizations and appropriations for the Appalachian Development Highway program and the other Appalachian assistance programs on January 1, 1972, except as provided in the following subsections.

Subsection (a) exempts from the transfer amounts required for grants approved by the Commission before December 31, 1971, under the following sections of the Act: section 202 (demonstration health projects); section 203 (land stabilization and conservation projects); section 204 (timber development); section 205 (mine area reclamation); section 211 (vocational education); section 212 (sewage treatment); section 214 (supplements to other Federal grants); and section 302(a)(2) (research, technical assistance and demonstration projects); and provides, in effect, that funds may be obligated for construction overruns on projects approved before December 31, 1971.

Subsection (b) makes allowance for the fact that under the contract authority provisions applicable to the Appalachian development highway program, authorizations for a fiscal year become available for use in the preceding fiscal year. Since the amounts authorized for the development highway program for fiscal year 1972 have already become available and been apportioned to the States, this subsection provides that such amounts shall not be included in the transfer. Moreover, since the amounts authorized for the highway program for fiscal year 1973 will similarly become available and subject to mandatory apportionment in fiscal 1972, this subsection also provides that the funds authorized for fiscal 1973 shall not be so apportioned.

Subsection (c) makes allowance for the fact that under the Appalachian program, the States are also authorized to pre-finance construction with their own funds and then claim reimbursement from the Federal Government. Thus, this subsection provides that amounts required to meet these commitments on all projects approved before December 31, 1971, under section 201(h) of the Act, shall not be transferred, to the extent such commitments are in excess of the amount apportioned to that State for the highway program.

Subsection (d) provides that amounts necessary to provide for administration and monitoring of projects approved before December 31, 1971, including the highway projects, are excepted from transfer.

Subsection (e) makes allowance for the fact that there is a question whether, under State law, certain types of project applicants will be eligible to receive State funds. Thus, subsection (e) excludes from the transfer, amounts necessary for continuing operating grants under section 202 and for administrative expenses of local development districts under section 302 of the Act. The purpose is to permit funding of these demonstration projects and local development organizations to continue for an additional six months through June 30, 1972, in order to give the State sufficient time to enact enabling legislation or take such other action as may be necessary to make such grantees eligible for State funds.

Subsection (f) exempts from the transfer funds which have been deposited in the Appalachian Housing Fund, and authorizes the Secretary of Housing and Urban Development to continue to make loans and grants under section 207 of the Act.

SECTION 408 - APPALACHIAN REGIONAL COMMISSION

Section 408 provides for the continuation of Federal administrative support for the Appalachian Regional Commission and staffs.

SECTION 409 - CONTINUATION OF AUTHORITIES

Section 409 provides for the continuation of duties vested in the Secretaries of Transportation; Health, Education and Welfare; Agriculture; Housing and Urban Development; and Labor; and other Departments to the extent necessary to carry out this Act.

PART C - DEPARTMENT OF AGRICULTURE

SECTION 410 - RURAL ENVIRONMENTAL ASSISTANCE PROGRAM

Section 410 provides that no application for federal cost sharing for soil-building and soil and water conserving practices under sections 7 to 15, 16(a), and 17 of the Soil Conservation and Domestic Allotment Act shall be approved after December 31, 1971, and that unused contract authority is rescinded after December 31, 1971. The annual program under this legislation has normally been carried out over an 18-month period beginning July 1 of the calendar year. The program for 1972, however, would be limited to those persons whose applications were approved no later than December 31, 1971; no applications for program participation could be approved under this provision after that date.

SECTION 411 - WATER BANK

Section 411 provides that no agreements shall be entered into under the Water Bank Act.

SECTION 412 - FORESTRY ASSISTANCE

Section 412 provides that after December 31, 1971, no funds shall be paid to States or political subdivisions thereof under existing Federal programs for cooperative forest management, fire protection, production and distribution of forest tree seeds and nursery stock, forest pest control, and tree planting. Except, however, for the payment of such funds to States and political subdivisions thereof, the Secretary of Agriculture's authority to give forestry assistance under the statutes specified in section 412 is unaffected.

SECTION 413 - WATER AND WASTE DISPOSAL SYSTEMS

Section 413 terminates as of the end of the calendar year 1971 the authority of the Secretary of Agriculture under section 306(a)(2) of the Consolidated Farmers Home Administration Act of 1961 to make grants to public and quasi-public bodies and non-profit associations for the construction of water and waste disposal facilities in rural areas and under section 306(a)(6) of the same Act to make grants for the preparation of official comprehensive plans for the development of water and sewer systems in rural areas.

SECTION 414 - GREAT PLAINS CONSERVATION

Section 414 would prohibit the Secretary of Agriculture from entering into any new contracts with producers under the Great Plains Conservation Program after December 31, 1971.

SECTION 415 - RESOURCE CONSERVATION AND DEVELOPMENT

Section 415 prohibits assistance for those projects that have not been approved on or prior to December 31, 1971, under section 32e of Title III of the Bankhead-Jones Farm Tenant Act or sections 1 - 6 of the Soil Conservation Domestic Allotment Act, in a resource conservation and development plan developed in the program for land stabilization and land conservation authorized under sections 31 and 32 of Title III of the Bankhead-Jones Farm Tenant Act.

SECTION 416 - EXTENSION SERVICE

Subsection (a) of section 416 provides that no payments to States shall be made for extension work as authorized by the Smith-Lever Act or the Agricultural Marketing Act of 1946 after December 31, 1971. It further provides that no payments shall be made by the Secretary after June 30, 1972 for retirement costs and to the Employees' Compensation Fund for State cooperative extension employees.

Since the District of Columbia is not included in the definition of "State", the effect of section 416(a) would be to continue the statutory authority to finance the Federal share of the District of Columbia extension program.

Subsection (b) provides that equipment in the possession of the Land-Grant Universities which was purchased from funds made available for extension shall remain the property of the University.

Subsection (c) provides that the authority relating to penalty mail provisions for extension employees is repealed, effective December 31, 1971.

Subsection (d) provides for the retention by cooperative extension employees of coverage under the Injury Compensation Program, the Unemployment Compensation Program, the Federal Retirement Program, the Federal Employees' Group Life Insurance Program and the Federal Employees' Health Benefits Program if the State continues an extension program. The State would be required to bear the employer's share of the costs of such programs after July 1, 1972.

SECTION 417 - LAND STABILIZATION, CONSERVATION AND EROSION CONTROL

Section 417 provides that no agreements under section 203 of the Appalachian Regional Development Act of 1965 would be entered into after December 31, 1971.

SECTION 418 - OUTSTANDING OBLIGATIONS

Subsection (a) of section 418 authorizes the Secretary of Agriculture to carry out commitments, contracts, and other obligations entered into under programs or activities terminated by sections 410 through 417 and for which funds have been obligated on or before specified termination dates, and provides that in no event shall payments to States for extension work in fiscal year 1972 exceed 50 percent of the appropriations for such purposes.

Subsection (b) authorizes appropriations without fiscal year limitation necessary to carry out part C.

Subsection (c) provides that except for appropriations made pursuant to subsection (b), any funds appropriated for any program or activity terminated by sections 401 - 417 which would be used to finance operations which would be carried out if such program or activity had not been terminated and are not obligated on the date specified for such termination, shall be transferred to and merged with the funds authorized under section 201.

A BILL

To establish a revenue sharing program for rural development.

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Rural Community Development Revenue Sharing Act of 1971."

STATEMENT OF FINDINGS AND PURPOSES

Sec. 2. The Congress hereby finds and declares that many rural areas of the Nation, while rich in natural resources and potential, have lagged behind the rest of the Nation in economic growth, and that the people of these rural areas have not shared in the Nation's prosperity. The Congress recognizes the need for increased efforts by Federal, State, and local governments to provide the economic base that is a vital prerequisite for vigorous self-sustaining growth and necessary to bring the rural areas of the Nation to their full potential.

The Congress declares that in order to generate increased employment opportunities and individual incomes in rural areas, to improve the quality and accessibility of rural community facilities and services, to stem out-migration from rural areas, to encourage private investment in industrial, agricultural, and commercial enterprises, to solve farm, home, and community problems, to protect and conserve natural resources, and to establish and improve public works and development facilities, a system by which States may share in national revenues is necessary and desirable; and that in order to implement an effective nationwide rural community development

policy and thereby to enhance the national prosperity, it is necessary to terminate and modify certain development programs now undertaken by the Federal Government.

TITLE I -- DEFINITIONS

DEFINITIONS

Sec. 101. For the purposes of this Act:

(a) The term "rural area" means any county, parish, or similar political subdivision, including all area within the territorial confines thereof, which either has a population density of less than 100 persons per square mile or is not included within a Standard Metropolitan Statistical Area;

(b) The term "rural population" means the total resident population, as defined and used by the United States Bureau of the Census, of a rural area;

(c) (1) The term "rural development" means rural community development programs or activities of a State which directly benefit the residents of a rural area within such State and are:

(A) undertaken within a rural area;

(B) certified by the local government within a rural area as directly benefiting the residents of such area; or

(C) certified by the Governor as directly benefiting the majority of the residents of rural areas within said State.

(2) The term "rural community development programs and activities" includes, but is not limited to, programs and activities which:

(A) Establish and improve public works, public service, and development facilities;

(B) Encourage private investment in, and promote the establishment and expansion of, industrial, agricultural, and commercial enterprises;

(C) Prevent conditions of excessive unemployment and underemployment, alleviate unemployment caused by loss or curtailment of large industries or Governmental activities, generate increased employment opportunities, and assist in manpower development;

(D) Assist in generating increased personal and corporate income;

(E) Further the economic development and growth potential of underdeveloped areas and help such areas to help themselves achieve lasting improvement;

(F) Improve the quality and accessibility of rural community facilities and services;

(G) Stem outmigration of families, labor, and capital from rural areas and encourage migration to such areas;

(H) Assist in the solution of farm, home and community problems;

(I) Promote the conservation, development, and proper utilization of human and natural resources;

(J) Encourage the solution of problems of wide geographic significance;

(K) Establish and improve educational facilities and encourage the development of improved educational methods;

(L) Establish and improve land, water, and air transportation systems and services for goods and passengers;

(M) Assist in the solution of problems related to law enforcement activities;

(N) Enhance domestic prosperity by the establishment of stable and diversified local economies and improved local conditions;

(O) Assist in the establishment of decent, safe, sanitary, and comfortable housing;

(P) Establish and improve health facilities and services and generally promote improved health and nutrition of residents of rural areas;

(Q) Establish programs and projects of the type authorized under Title I of the Demonstration Cities and Metropolitan Development Act of 1966; and

(R) Provide direct financial incentives to industry to create jobs in rural areas.

(d) The term "rural per capita income" means the average personal income of the rural population of a State;

(e) The term "fiscal year" means the fiscal year of the Government of the United States;

(f) Except where otherwise indicated, the word "Secretary" means the Secretary of Agriculture or his delegate;

(g) The word "State" means the several States, the Commonwealth of Puerto Rico, the Virgin Islands, and Guam;

(h) The word "Governor" means the chief executive officer of each State or his delegate;

(i) The term "Attorney General" means the Attorney General of the United States or his delegate;

(j) The term "Standard Metropolitan Statistical Area" means a standard metropolitan statistical area as that term is defined and used by the Office of Management and Budget;

(k) The term "personal income" means personal income as that term is defined and used by the Office of Business Economics of the Department of Commerce;

(l)(1) The term "local government" means a municipality, county, or township as such terms are defined and used by the United States Bureau of the Census.

(2) The term "local government" does not include independent school districts or special districts;

(m) The term "State development plan" means a plan for the expenditure of funds to which a State is entitled under subsections (a) through (c) of section 202. Such plan shall set forth the specific rural community development programs and activities which, subject to section 204, are proposed to be undertaken or continued with such funds and shall take into consideration the varying needs and development and growth potentials of rural areas within the State and the possible integrated use of development resources of such areas; and

(n) The term "State development planning system" includes

a State development planning advisory commission whose duty it shall be to advise the Governor with respect to the formulation of the State development plan. The membership of such planning commission shall be composed of one representative from each government planning board, as defined in this section, together with the Governor of such State.

For the purpose of formulating a State development plan, each State shall establish multi-jurisdictional planning districts which together shall encompass the geographic area of the entire State. A planning board for each district shall be composed of elected officials from local governments within such district and shall be designated by such local governments. The duties and authorities of planning boards within the State shall be determined by the Governor of such State.

One representative of each planning board, who shall be a member of such board, shall be selected by members of such board for membership on the State development planning advisory commission.

DATA FOR DEFINITIONS

Sec. 102. Where appropriate, the definitions in section 101 shall be based on the latest published reports of the Department of Commerce, or the Office of Management and Budget, on the date of enactment of this Act, and of each subsequent year. The data used in applying these definitions at any point in time shall be the latest published data referable to the same point or period in time. The Secretary may, by regulation, change or otherwise modify the definitions in section 101 in order to reflect any change or modification thereof made subsequent to such date by the Department of Commerce or the Office of Management and Budget.

TITLE II -- RURAL DEVELOPMENT
REVENUE SHARING

APPROPRIATION AUTHORIZATION

Sec. 201. There are hereby authorized to be appropriated without fiscal year limitation such sums as may be necessary for the purposes of this title for each fiscal year.

STATE ENTITLEMENT

Sec. 202. (a) Of the amounts provided from appropriations authorized by section 201 for any fiscal year for the purposes of this title, a minimum of eighty percent shall be apportioned by the Secretary among the States in accordance with their entitlement as determined by subsections (b) and (c) of this section.

(b) One percent of the amount required to be apportioned under subsection (a) shall be divided among the States in equal proportion.

(c) Each State shall be entitled to a portion of the remainder of the amount required to be apportioned under subsection (a), which portion shall be determined as follows:

(1) Each State shall be entitled to receive an amount equal to fifty percent of such remainder multiplied by a fraction the numerator of which is the rural population of such State at the most recent point in time for which appropriate statistics are available and the denominator of which is the sum of the rural populations of all States at the same point in time;

(2) Each State shall be entitled to receive an amount equal to twenty-five percent of such remainder multiplied by a fraction the numerator of which is the average of per capita incomes of all the States at the most recent point in time for which appropriate statistics are available less the rural per

capita income of such State at the same point in time, such difference to be multiplied by the rural population of such State at the same point in time, and the denominator of which is the sum of such positive differences for each State multiplied by that State's rural population: Provided, however, That if the rural per capita income of a State is greater than the average of per capita incomes of all the States, the differences stated above shall be considered zero; and

(3) Each State shall be entitled to receive an amount equal to twenty-five percent of such remainder multiplied by a fraction the numerator of which is the percentage change in population of all the States less the percentage change in rural population of such State, such difference to be multiplied by the rural population of such State during the most recent and appropriate time period of which statistics are available, and the denominator of which is the sum of such positive differences for each State multiplied by that State's rural population: Provided, however, That if the percentage rate of change of rural population of a State during such period is greater than the percentage rate of change of the populations of all States during the same period, the differences stated above shall be considered zero.

(d) Any amounts appropriated for any fiscal year pursuant to section 201 which are not apportioned pursuant to subsections (a) through (c) of this section and any amounts recovered under section 304 may be available without regard to subsections (a) through (c) of this section

for distribution at the discretion of the Secretary.

(e) Notwithstanding any other provisions of this Act, each State shall use a sufficient portion of the moneys to which it is entitled to maintain and carry out a program of agricultural extension work through its Land-Grant college, or colleges, comparable in size and type to the agricultural extension program carried out in the State in fiscal year 1971 under the Smith-Lever Act, as amended (7 U.S.C. §§ 341-349), and section 204(b) and 205 of the Agricultural Marketing Act of 1946, as amended (7 U.S.C. §§ 1623 and 1624), and the Cooperative Extension Service shall be permitted to continue 4-H, nutritional aide programs, and other agricultural programs in metropolitan areas.

(f) Until such time as a State is authorized under State law and eligible to receive funds and carry out activities as provided by this Act, or in the event it refuses to accept such funds, the shared revenues to which it would have been entitled under this section shall be available for allocation by the Secretary for the purposes of this title.

(g) All computations and determinations by the Secretary under this section shall be final and conclusive.

STATE DEVELOPMENT PLAN

Sec. 203. Commencing with fiscal year 1973 as a condition precedent to receiving entitlement under subsections (a) through (c) of section 202, the Governor of each State shall publish and submit to the Secretary a State development plan formulated through the State development planning system set forth in section 101(n), provided that the Secretary may, upon request of the Governor, accept an alternate State development planning system which assures consultation and coordination with units of local government within the State. Amendments to the State development

plan may be submitted to the Secretary at any time prior to the termination of the fiscal year to which the plan relates. Such State development plan and amendments shall not be subject to approval by the Secretary.

AUTHORIZED EXPENDITURES

Sec. 204. Each State is authorized to expend moneys to which it is entitled under section 202(a) through (c) for the purpose of rural development as that term is defined in section 101(c). Each State is authorized to expend moneys to which it is entitled under section 202(d) as the Secretary shall direct.

TITLE III -- ADMINISTRATION

PAYMENTS TO STATES

Sec. 301. The amounts appropriated and allocated pursuant to this title shall be paid to States at such intervals and in such installments as the Secretary may determine, taking account of the objective that the time elapsing between the transfer of funds from the United States Treasury and the disbursement thereof by a State or subdivision thereof shall be minimized: Provided, however, That the Secretary shall, with the concurrence of the Director of the Office of Management and Budget, prescribe regulations for the purpose of avoiding an inordinate rise in Federal outlays in fiscal years 1972 and 1973 resulting from concurrent disbursements pursuant to (a) obligations incurred prior to December 31, 1971, pursuant to programs and activities abrogated or modified by title IV, and (b) revenue shared under this Act.

RECORDS, AUDITS, AND REPORTS

Sec. 302. (a) All revenues shared with States under this Act shall be properly accounted for as Federal funds in the accounts of such States.

(b) In order to assure that revenues shared under this title are used in accordance with the provisions of this Act, each State shall:

(1) Use such fiscal and accounting procedures as may be necessary to assure (A) proper accounting for payments received by it and (B) proper disbursement of such amounts,

(2) Provide to the Secretary, on reasonable notice, access to, and the right to examine, any books, documents, papers, or records as he may reasonably require, and

(3) Make such reports to the Secretary as he may reasonably require.

NONDISCRIMINATION

Sec. 303. Shared revenues under this Act shall be considered as Federal financial assistance within the meaning of Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d).

RECOVERY OF FUNDS

Sec. 304. (a) If the Secretary determines after giving reasonable notice and opportunity for hearing that a State has failed to comply substantially with the provisions of this Act, he shall --

(1) refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted; or

(2) notify the State that if corrective action is not taken within sixty days from the date of such notification, revenues shared with it will be reduced in the same or succeeding fiscal year by an amount equal to the amount of funds which were not expended in accordance with the provisions of this Act; or

(3) take such other action as may be provided by law.

(b) When a matter is referred to the Attorney General pursuant to subsection (a) (1) of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

(c) (1) Any State which received notice of reduction of revenues shared, under subsection (a) (2) of this section may, within sixty days after receiving notice of such reduction, file with the United States Court of Appeals for the Circuit in which such State is located or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary's action. The petitioner shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in litigation.

(2) The Secretary shall file in the Court the record of the proceeding on which he based his action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary shall be considered by the Court unless such objection has been urged before the Secretary.

(3) The Court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole shall be conclusive. The Court may order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary may modify his findings of fact, or make new findings, by reason of the new evidence so taken and filed with the Court, and he shall also file such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole, and shall also file his recommendations, if any, for the modification or setting aside of his original action.

(4) Upon the filing of the record with it, the jurisdiction of the court shall be exclusive and its judgement shall be final, except that the same shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

ADVANCE PAYMENTS

Sec. 305. Advance payments made to States or political subdivisions thereof prior to and including December 31, 1971, and unearned at the close of business on December 31, 1971, shall be either returned promptly to the Federal agency concerned, or offset against the first shared revenues to which the same State or political subdivision thereof becomes entitled under this Act.

POWERS OF THE SECRETARY

Sec. 306. The Secretary shall prescribe such rules, regulations, and standards as may be necessary to carry out the purposes and conditions of this Act, including standards to assure the compatibility on a nation-wide basis of data systems used in carrying out activities under this Act in order to provide the public and the Congress with objective information on which to evaluate activities under this Act, and to conduct research and investigations to determine the effectiveness of this Act in the development of rural communities.

AGREEMENTS BETWEEN STATES

Sec. 307. In the event that cooperation or agreements between States is necessary in order to realize the full benefit of provisions of this Act, the consent of Congress is hereby given to such States to enter into such agreements.

REPORT BY THE SECRETARY

Sec. 308. For each fiscal year beginning with the fiscal year ending June 30, 1972, the Secretary shall make a report to the President and the Congress concerning the programs conducted under, and the general effectiveness of, this Act.

ADMINISTRATIVE EXPENSES

Sec. 309. There are hereby authorized to be appropriated, without fiscal year limitation, such sums as may be necessary for the purposes of this title for each fiscal year.

LABOR STANDARDS

Sec. 310. All laborers and mechanics employed by contractors or subcontractors in any construction, alteration, or repair, including painting and decorating of projects, buildings, and works which are Federally assisted, which shall include revenues shared, under this Act, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276-a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276c).

RELOCATION COSTS

Sec. 311. Notwithstanding section 211 of the Uniform Relocation and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894) no Federal contribution in addition to shared revenues under this title shall be provided for relocation payments and assistance for those displaced by community development activities assisted under this title.

MATCHING GRANTS

Sec. 312. Rural community development funds may be used by a State or local government as matching shares for Federal grant programs which contribute to rural development.

EFFECTIVE DATE

Sec. 313. The effective date of this Act shall be January 1, 1972.

TITLE IV -- TRANSITION

PART A - PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT

DEFINITION

Sec. 401. For the purposes of this part, the word "Act" means the Public Works and Economic Development Act of 1965, as amended, 42 U.S.C. §§ 3121-3226.

TERMINATION OF CERTAIN AUTHORITIES

Sec. 402. (a) The authority provided by the Act shall not be exercised after December 31, 1971, except that;

(1) The Secretary of Commerce may:

(A) carry out those commitments, contracts, agreements, and other obligations, including all accounts receivable, made or entered into, and for which funds have been obligated, on or before December 31, 1971, pursuant to authority conferred prior to such date under the Act, including title V thereof: Provided, however, That this section shall not be interpreted to prohibit the obligation of funds for construction overruns on projects for which financial assistance, in accordance with the criteria of section 101 of the Act, was approved on or before December 31, 1971;

(B) designate, and terminate the designation of, redevelopment areas satisfying the criterion of section 401(a)(3) of the Act;

(C) exercise the authority conferred by sections 101, 201, 202, 301(a), and 301(b) of the Act with regard to projects, programs, and activities within areas designated under section 401(a)(3) of the Act: Provided, That section 301(b) of the Act is

amended by striking the words "not to exceed 75 per centum" and inserting in lieu thereof "all or a part"; and

(D) exercise the authority conferred by section 301(a) for the purpose of providing technical assistance for the preparation of trade adjustment proposals pursuant to, and the accomplishment of feasibility and related studies under, the Trade Expansion Act of 1962, 19 U.S.C. §§ 1902-1913;

(2) All powers and authorities contained in the Act, including the authority conferred by section 709 thereof, may be exercised to the extent necessary to carry out the authorities referred to in this section, and all duties contained in the Act, including the duty specified in section 707 thereof, shall be undertaken to the extent proper in carrying out the authorities referred to in this section.

(b) All planning grants and administrative expense grants, except grants to organizations or individuals within areas designated under section 401(a)(3) of the Act, which are approved or renewed under section 301(b) of the Act on or before December 31, 1971, or which would ordinarily be renewed after December 31, 1971, but on or before June 30, 1972, shall provide for a termination date no later than June 30, 1972.

TERMINATION OF DESIGNATION

Sec. 403. The designation status of all areas designated under section 102 of the Act, all redevelopment areas designated under the Area Redevelopment Act (42 U.S.C. 2501 et seq.), or under section 401

of the Act except subsection (a)(3) thereof, all economic development districts designated under section 403(a)(1) of the Act, and all economic development centers designated under section 403(a)(2) of the Act, shall be deemed terminated at midnight on December 31, 1971.

TRANSFER OF CERTAIN APPROPRIATIONS

Sec. 404. (a) Notwithstanding any provision of the Act:

(1) Fifty percent of the total appropriation made under the Act, except for title V thereof, for the fiscal year ending June 30, 1972, shall not be obligated after December 31, 1971, and shall be transferred to and merged with the funds authorized under the authority of section 201: Provided, however, That an amount of such appropriation as would in the ordinary course of business be obligated after December 31, 1971, for those purposes specified in section 402 hereof shall not be so transferred and shall remain available until June 30, 1972, for such purposes; and

(2) The full amount of the remaining fifty percent may be obligated on or before December 31, 1971, but all such amounts as are unobligated prior to such date shall be transferred to and merged with the funds authorized under the authority of section 201.

(b) All collections and repayments deposited on or before December 31, 1971, in the Economic Development Revolving Fund established pursuant to section 203 of this Act shall be transferred to and merged with the funds authorized under the authority of section 201 and all collections and repayments received under the Act after December 31, 1971, shall be deposited in and merged with the funds authorized under the authority of section 201: Provided, however, That such amounts shall

be retained in the Economic Development Revolving Fund as may be required to pay interest to the Treasury, pursuant to section 203 of the Act, on the amount of loans outstanding under the Act.

CERTAIN PROVISIONS REPEALED

Sec. 405. (a) Effective July 1, 1972, title V of the Act shall be deemed repealed.

(b) The Secretary of Commerce shall, no later than June 30, 1972, assume the administration of projects, the functions, powers, duties, and authorities, and the assets, liabilities, authorizations, apportionments, allocations, appropriations, and records which were, pursuant to title V of the Act and on or before June 30, 1972, undertaken by, vested in, or authorized to, the regional commissions established pursuant to title V of the Act.

(c) Each regional commission shall, prior to June 30, 1972, make such assignments to the Secretary of Commerce as may be necessary to enable him to fulfill his functions under subsection (b).

(d) On January 1, 1972, there shall be transferred to and merged with the funds authorized under the authority of section 201, all balances of appropriations made under the authorization of title V of the Act, unobligated as of such date, except such amounts available under such authorization and appropriation for the administrative expenses of the regional commissions to June 30, 1972.

(e) Notwithstanding section 510 of the Act, each regional commission shall, not later than June 30, 1972, make a comprehensive and detailed report to Congress with respect to such commission's activities during the fiscal year ending June 30, 1972.

PART B - APPALACHIAN REGIONAL DEVELOPMENT
ACT OF 1965

DEFINITION

Sec. 406. For the purposes of this part, the word "Act" means the Appalachian Regional Development Act of 1965, as amended, 40 App. U.S.C. §§ 1-405.

TRANSFER OF APPROPRIATION BALANCES

Sec. 407. On January 1, 1972 there shall be transferred to and merged with the funds authorized under the authority of section 201, all balances of appropriations made under the authorizations in sections 201(g) and 401 of the Act, unobligated as of such date, except such amounts available under such authorization and appropriation:

(a) Which are required for programs and projects under sections 202, 203, 204, 205, 211, 212, 214, and 302(a)(2) of the Act, approved by the Commission on or before December 31, 1971: Provided, however, That this section shall not be interpreted to prohibit the obligation of funds for construction overruns on projects for which financial assistance was approved on or before December 31, 1971.

(b) Which have been apportioned by the Commission to the States for the Appalachian development highway system in accordance with section 201 of the Act and sections 106(a) and 118 of Title 23, United States Code: Provided, however, That notwithstanding such sections, funds authorized under section 201 of the Act for the fiscal year ending June 30, 1973, shall not be so apportioned.

(c) Which are required to reimburse States for the Federal share of projects constructed without Federal funds in accordance with section 201(h) of the Act which were approved by the Commission on or before

December 31, 1971, and which are in excess of apportionments referred to in subsection (b);

(d) As may be necessary to provide for the administration and monitoring through completion of programs and projects approved by the Commission on or before December 31, 1971, including those for which funds have been apportioned or approved as provided under subsections (b) or (c) herein;

(e) As may be required for:

(1) continuation of operating grants under section 202 of the Act to maintain and continue any demonstration projects for which a prior operating grant was approved on or before December 31, 1971; and

(2) grants for administrative expenses of local development districts under section 302 of the Act to maintain such organizations: Provided, however, That such district had been certified under section 301 of the Act and a grant for its administrative expenses had been approved on or before December 31, 1971 until such time as the Governor of the State in which such project or district is located certifies that such project or district can be continued with State or other funds or that it shall not receive further assistance:

Provided, however, That no such continuation grant or grant for administrative expenses of a district shall provide funds to maintain such project or district beyond June 30, 1972; and

(f) Which have been deposited in the Appalachian Housing Fund pursuant to section 207(d) of the Act. Notwithstanding any provisions of this Rural Community Development Revenue Sharing Act of 1971, the Secretary of Housing and Urban Development may continue to make loans

and grants as authorized in section 207 of the Act, upon applications approved by the Governor of the State or his designee.

APPALACHIAN REGIONAL COMMISSION

Sec. 408. Notwithstanding any other provision of law the Appalachian Regional Commission established pursuant to section 101 of the Appalachian Act, and the Federal participation in, and support of, such Commission, Federal Cochairman and staffs authorized under sections 101, 105, and 106 of such Act, shall continue after enactment of this Rural Community Development Revenue Sharing Act.

CONTINUATION OF AUTHORITIES

Sec. 409. All duties, responsibilities, authorities, and functions vested in the Secretaries of Transportation; Health, Education, and Welfare; Agriculture; Housing and Urban Development; and Labor; and in any other Federal department, agency, or officer under the Act shall, to the extent necessary to effectuate the purposes of this part and section, continue to be vested in such officials or such other officials as may be provided by law or as the President may direct.

PART C - DEPARTMENT OF AGRICULTURE

RURAL ENVIRONMENTAL ASSISTANCE PROGRAM

Sec. 410. No applications for Federal cost-sharing for soil-building and soil- and water-conserving practices under sections 7 to 15, 16(a) and 17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. §§ 590g - 590o, 590p(a), and 590q), shall be approved after December 31, 1971, and all unused contract authority is rescinded after December 31, 1971.

WATER BANK

Sec. 411. No agreements shall be entered into under the Water Bank Act (84 Stat. 1468).

FORESTRY ASSISTANCE

Sec. 412. No funds shall be paid after December 31, 1971, to States or political subdivisions thereof for forestry and tree planting assistance, as authorized by sections 1, 2 and 4 of the Clarke-McNary Act, as amended and supplemented (16 U.S.C. §§ 564, 565, 565a, 566a and b, and 567) the White Pine Blister Rust Protection Act (16 U.S.C. § 594a), the Forest Pest Control Act (16 U.S.C. §§ 594-1 through 594-5), the Cooperative Forest Management Act, as amended (16 U.S.C. §§ 568c and 568d), and section 401 of the Agriculture Act of 1956, as supplemented (16 U.S.C. §§ 568e - 568g).

WATER AND WASTE DISPOSAL SYSTEMS

Sec. 413. No grants shall be made after December 31, 1971, for:

(a) activities authorized in section 306(a)(2) of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. § 1926(a)(2));
or

(b) preparation of official comprehensive plans for the development of water or sewer systems in rural areas as authorized in section 306(a)(6) of said Act (7 U.S.C. § 1926(a)(6)).

GREAT PLAINS CONSERVATION

Sec. 414. No new contracts shall be entered into under the Great Plains Conservation Program authorized by section 16(b) of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. § 590p(b)), after December 31, 1971.

RESOURCE CONSERVATION AND DEVELOPMENT

Sec. 415. Unless such project measure has been approved on or before December 31, 1971, no financial assistance shall be provided to carry out any project measures under the authority of section 32e of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. §§ 1011e), or sections 1 - 6 of the Soil Conservation Domestic Allotment Act (16 U.S.C. §§ 590a-f), in a resource conservation and development plan developed in the program for land stabilization and land conservation authorized under sections 31 and 32 of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. §§ 1010 and 1011).

EXTENSION SERVICE

Sec. 416. (a) No payments to States for extension work as authorized by the Smith-Lever Act, as amended (7 U.S.C. §§ 341-349), and sections 204(b) and 205 of the Agricultural Marketing Act of 1946, as amended (7 U.S.C. §§ 1623 and 1624), shall be made after December 31, 1971. No payments shall be made by the Secretary after June 30, 1972, for the cost of the employer's share of Federal retirement and for benefits paid from the Employees' Compensation Fund for State cooperative extension employees.

(b) Equipment and other property in the possession of a Land-Grant University which was purchased in whole or part from funds made available for extension work shall remain the property of the University.

(c) The provisions of 39 U.S.C. § 4152(a)(F) relating to penalty mail for extension agents and directors are repealed, effective December 31, 1971.

(d) Any person who, by virtue of his position as a cooperative extension employee, currently has coverage under the Federal Employees' Injury Compensation Program authorized by 5 U.S.C. ch. 81, the Unemployment Compensation Program authorized by 5 U.S.C. ch. 85, the Civil Service Retirement Act, 5 U.S.C. ch. 83, the Federal Employees' Group Life Insurance Program authorized by 5 U.S.C. ch. 87, or the Federal Employees' Health Benefits Program authorized by 5 U.S.C. ch. 89 may continue such coverage if an extension program is continued by the State: Provided, however, That beginning on July 1, 1972, the State shall bear the employer's share of the costs of such programs.

LAND STABILIZATION, CONSERVATION, AND
EROSION CONTROL

Sec. 417. No agreements shall be entered into under section 203 of the Appalachian Regional Development Act of 1965, as amended (79 Stat. 12) after December 31, 1971.

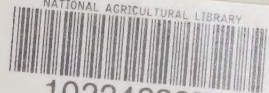
OUTSTANDING OBLIGATIONS

Sec. 418. (a) The Secretary of Agriculture is authorized to administer and carry out any commitments, contracts, agreements, and other obligations made or entered into under programs or activities terminated by sections 410 through 417 and for which funds have been obligated, on or before the date specified for such termination: Provided, however, That in no event shall payments to States for extension work in fiscal year 1972 exceed fifty percent of the appropriations for such purposes.

(b) There are hereby authorized to be appropriated without fiscal year limitation such sums as may be necessary for the purposes of this part for each fiscal year.

(c) Except for appropriations made pursuant to subsection (b), any funds appropriated for any program or activity terminated by sections 410 through 417 which would be used to finance operations which would be carried out if such program or activity had not been terminated, and which remain unobligated on the date specified for such termination shall be transferred and merged with the funds authorized under the authority of section 201.

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